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JUN 17 1992

DIVISION OF
OIL GAS & MINING

11/043/003

- HARD COPY OF FAX

June 15, 1992

Mr. Anthony A. Gallegos, Reclamation Engineer
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple, Suite 350
Salt Lake City, Utah 84180

Dear Mr. Gallegos:

We are in receipt of your letter dated June 3, 1992 which is addressed to me in care of "Park City Ventures." I assume that the letter was improperly addressed because I have never been employed by Park City Ventures, my address is not the address for Park City Ventures and Park City Ventures terminated their lease of our mine in 1979.

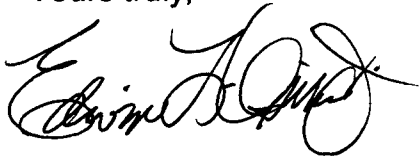
In your letter, you state that the Ontario Mine has been in a state of suspension since 1988. Please be advised that the lessee of the mine, Noranda Exploration Inc., suspended operations in 1982 - not 1988.

You cite Section 40-8-17(2) of the Utah Code as authority for your request to inspect the Ontario Mine. Said Section authorizes inspections as a condition of consideration and approval of a "Notice of Intention." United Park City Mines Company (hereinafter "United Park") has not filed nor is required to file a Notice of Intention with the Division of Oil, Gas and Mining (hereinafter "Division"). It is because the Division did not act upon the Notices of Intention filed by the lessees of the mine, that we believe that United Park has a cause of action against the Division. Because the Division did not timely act upon the Notices of Intention which were filed by lessees of the mine, the Division did not comply with its statutory obligation to provide sureties, approved plans and other safeguards to protect the property and the landowner, United Park. Consequently, the Division has no authority now to inspect the property under Section 40-8-17(2) of the Utah Code.

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Mr. Anthony A. Gallegos
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However, as a courtesy and because of our respect for Dianne Nielson and the work of the Division, we are willing to grant your request to inspect the Ontario Mine on June 17, 1992. I suggest that we meet at the General Office of the Ontario Mine (just South of Park City on Highway U-248) at 9:00 A.M. on June 17, 1992. I would appreciate your advising me via fax at number 801-355-8549 of your agreement herewith and the names of your staff who will be in attendance at this inspection.

Yours truly,

A handwritten signature in black ink, appearing to read "Edwin L. Osika, Jr.", with a stylized, cursive script.

Edwin L. Osika, Jr.
Executive Vice President

elo:adogm692

cc: Dianne Nielson
Rosemary J. Beless